

**LUMPKIN COUNTY
BOARD OF COMMISSIONERS**
Special Called Meeting

AGENDA

Lumpkin County Courthouse
Conference Room
Dahlonega, Georgia
July 22, 2005
4:00 P.M.

I. CALL TO ORDER

Chairman Gooch

II. APPROVAL OF AGENDA

III. NEW BUSINESS

- Yahoola Creek Reservoir

IV. ANNOUNCEMENTS

Future Board Meetings:

- Board Work Session – City Hall
- Board Meeting – Park & Rec. Community Center
- Board Work Session – City Hall
- Board Meeting – City Hall

Aug 4th, 2005 at 9:00 a.m.
Aug 16th, 2005 at 9:00 a.m.
Sep 1st, 2005 at 9:00 a.m.
Sep 15th, 2005 at 6:00 p.m.

V. ADJOURN

Chairman Gooch

**MINUTES OF THE SPECIAL CALLED MEETING OF THE
LUMPKIN COUNTY BOARD OF COMMISSONERS**

July 22, 2005

CALL TO ORDER

The special called meeting was called to order by Chairman Gooch at 4:06 p.m. Commissioners present were Stephen Gooch, John Raber, Deborah Hutcheson, Clarence Stowers, and Marvin Martin.

AGENDA

A motion was made by John Raber to approve the agenda. The motion was seconded by Marvin Martin and approved by all district commissioners present.

NEW BUSINESS

YAHOOOLA CREEK RESERVOIR

Chairman Gooch stated that the Board of Commissioners, County Manager, and County Attorney had met with the law firm of Bentley, Bentley, and Bentley yesterday in Marietta to discuss tax equity and Special Purpose Local Option Sales Tax (SPLOST) laws. The information learned will be useful in the future.

Chairman Gooch read a letter dated July 22, 2005, regarding Tax Equity and SPLOST matters that he had received from Mayor Gary McCullough. A copy of this letter is attached to these minutes.

Chairman Gooch presented the board with a copy of some ideas he had prepared titled Reservoir Options for Lumpkin County/City of Dahlonega dated July 20, 2005. Discussion by the Board of Commissioners of options "A", "B", and "C" followed. A copy of the options with changes is attached to these minutes.

John Raber made a motion to respond Dear Mayor the Lumpkin County Board of Commissioners agree to comply with state law and with your request for tax equity and participation in SPLOST negotiations. The motion was seconded by Marvin Martin and approved by all district commissioners present.

Deborah Hutcheson made a motion to send the city a copy of the three (3) options with changes. The motion was seconded by Marvin Martin and approved by all district commissioners present.


Deborah Hutcheson requested that a memo be included with a copy of the three options to the City Council.

Citizen and City Council Member Guy Laboa who was in attendance said the City and County needed to respond to Paul Burks, Executive Director of Georgia Environmental Facilities Authority (GEFA) no later than July 26, 2005.

ADJOURN


Chairman Gooch called for a motion to adjourn at 5:30 p.m. The motion to adjourn was made by Marvin Martin and seconded by Deborah Hutcheson and approved by all district commissioners present.

9-15-2005
Date



Stephen W. Gooch, Chairman
Lumpkin County Board of Commissioners

Attest:



Ruth A. Bohac
Clerk, Lumpkin County



OFFICE OF MAYOR

July 22, 2005

Mr. Steve Gooch
Chairman, Lumpkin County Commission
Courthouse Hill
Dahlonega, GA 30533

Re: Tax Equity and SPLOST Matters

Dear Steve,

In order to confirm our understanding, I am asking that you present this letter to your commission this morning and then sign it on behalf of the Lumpkin County Commission so as to provide a written memorandum of the issues which have thus far been resolved. This letter should be placed upon your minutes. Those two issues are: (1) Tax Equity; and (2) SPLOST participation.

As to tax equity, the Commission confirms and ratifies once again that the terms of the service delivery strategy regarding tax equity are enforceable and binding upon both governments as to the reservoir and all other issues of tax equity and the unincorporated tax district matters expressed within the service delivery agreement as originally written and ratified in August of 2004.

As to SPLOST, the Commission confirms and stipulates that the City shall be a participant in the next SPLOST presented to the voters for matters within the City's discretion at a dollar participation of no less than the statutory minimum participation. The County agrees not to object to the City's participation at this level for any reason including the imposition of a Tier One or other objection.

As to your proposal, we ask that you notify us immediately when that is ready for us to review in writing. I will immediately implement a staff review of your proposal and then call, if necessary, a special committee or even a council meeting over the weekend to review it so that we can respond rapidly.

Steve, the City's budget year ends September 30th. We will rely in our budgeting and planning upon your assurances in this letter. And desperately we need your proposal

regarding the city-county relationship regarding the reservoir so as to evaluate it and identify fiscal impact issues. I look forward to receiving it in writing later today.

Sincerely,



Gary McCullough

Cc: City Council
Bill Lewis, City Manager
Doug Parks, City Attorney

Mr. Steve Gorch
Chairman, Lumbia County Commission
Courtney Hill
Dahlgren, GA 30533

Re: Tax Equity and SPLOST Matters

Dear Steve,

In order to confirm our understanding, I am asking that you present this letter to your commission this morning and then sign it on behalf of the Lumbia County Commission so as to provide a written memorandum of the issues which have thus far been resolved. This letter should be placed upon your minutes. These two issues are: (1) Tax Equity and (2) SPLOST port of origin.

As to tax equity, the Commission confirms and reiterates once again that the terms of the service delivery strategy regarding tax equity are enforceable and binding upon both governments as to the reservoir and all other issues of tax equity and the unincorporated tax district matter's expected within the service delivery agreement as originally written and dated in August of 2004.

As to SPLOST, the Commission confirms and stipulates that the City shall be a participant in the next SPLOST presented to the voters for matters within the City's jurisdiction at a later participation of no less than the statutory minimum participation. The County agrees not to object to the City's participation at this level for any reason including the imposition of a Tier One or other objection.

As to your proposal, we ask that you notify us immediately when that is ready for us to review in writing. I will immediately implement a staff review of your proposal and then call, if necessary, a special committee or even a council meeting over the weekend to review it so that we can respond rapidly.

Since the City's budget year ends September 30th, we will rely in our budgeting and planning upon your assurances in this letter. And, desperately, we need your proposal

RESERVOIR OPTIONS FOR LUMPKIN COUNTY/CITY OF DAHLONEGA

July 20, 2005

OPTION "A"

	<u>COUNTY</u>	<u>CITY</u>
WATER RIGHTS: 5.7 mgd	50%	50%
Park Property Ownership: approx. 270 acres	50%	50%
Debt Service Obligation: \$14 million	50%	50%
Source of funds for debt service	Gen. Fund	Gen. Fund
Water Treatment Plant ownership	0%	100%
Cost of Land for Treatment Plant	\$0.00	\$13,500/acre

County would create a special tax district to exclude the property in the incorporated areas of Lumpkin County from the debt service for the Reservoir and park property.

OPTION "B"

	<u>COUNTY</u>	<u>CITY</u>
WATER RIGHTS: 5.7 mgd	50%	50%
Park Property Ownership: approx. 270 acres	100%	0%
Debt Service Obligation: \$14 million	\$8,750,000	\$5,250,000
Source of funds for debt service	Gen. Fund	Gen. Fund
Water Treatment Plant ownership	0%	100%
Cost of Land for Treatment Plant(10-20 Acres)	\$0.00	\$13,500/acre

County would create a special tax district to exclude the property in the incorporated areas of Lumpkin County from the debt service for the Reservoir only. Debt service for the Park Property would be assessed to all properties in both the incorporated as well as the unincorporated areas of the County.

OPTION "C"

	<u>COUNTY</u>	<u>CITY</u>
WATER RIGHTS: 5.7 mgd	50%	50%
Park Property Ownership: approx. 270 acres	100%	0%
Debt Service Obligation: \$14 million	100%	0%
Source of funds for debt service	Gen. Fund	N/A
Water Treatment Plant ownership	0%	100%
Land for Treatment Plant(10-20 Acres)	\$0.00	\$13,500/acre
Cost of Raw Water from users*	\$.40/1K gpd	\$.40/1K gpd

County would agree to purchase water capacity in City's new water treatment plant based on actual construction costs and Water Authority's future needs. City would guarantee water prices not to exceed average of city's and counties in similar size providing same service.

* Cost of raw water would apply to both the City of Dahlonega and the Lumpkin County Water Authority equally. Future reductions in price could be negotiated by the governing authorities at any time.

Under Option "C", the burden of paying for the reservoir would be born by the entire tax base through the county's general fund. The cost of water would be born by the user of the water on a prorated share.

No Tax Districts would be necessary under this arrangement.

Future SPLOST would be negotiated in accordance with state law.

PRINCIPAL: \$14,000,013% INTEREST

RAW WATER COST per 1000 GPD

\$ 0.40 thru 2030

YEAR	DEBT SERVICE	WATER USE: GPD			TOTAL	\$ PER YEAR			County Subsidy (SHORTAGE)/SURPLUS
		*CITY	*LCSWA	BOTH		CITY	LCWSA	TOTAL	
2006	\$ 420,000	1,000,000	100,000	1,100,000	\$ 146,000	\$ 14,600	\$ 160,600	\$ (259,400.00)	
2007	420,000	1,040,000	112,000	1,152,000	151,840	16,352	168,192	(251,808.00)	
2008	606,790	1,081,600	125,440	1,207,040	157,914	18,314	176,228	(430,562.52)	
2009	606,790	1,124,864	140,493	1,265,357	164,230	20,512	184,742	(422,048.27)	
2010	606,790	1,169,859	157,352	1,327,210	170,799	22,973	193,773	(413,017.63)	
2011	606,790	1,216,653	176,234	1,392,887	177,631	25,730	203,362	(403,428.85)	
2012	606,790	1,265,319	197,382	1,462,701	184,737	28,818	213,554	(393,235.97)	
2013	606,790	1,315,932	221,068	1,537,000	192,126	32,276	224,402	(382,388.37)	
2014	606,790	1,368,569	247,596	1,616,165	199,811	36,149	235,960	(370,830.22)	
2015	606,790	1,423,312	277,308	1,700,620	207,804	40,487	248,290	(358,499.89)	
2016	606,790	1,480,244	310,585	1,790,829	216,116	45,345	261,461	(345,329.31)	
2017	606,790	1,539,454	347,855	1,887,309	224,760	50,787	275,547	(331,243.24)	
2018	606,790	1,601,032	389,598	1,990,630	233,751	56,881	290,632	(316,158.41)	
2019	606,790	1,665,074	436,349	2,101,423	243,101	63,707	306,808	(299,982.63)	
2020	606,790	1,731,676	488,711	2,220,388	252,825	71,352	324,177	(282,613.76)	
2021	606,790	1,800,944	547,357	2,348,300	262,938	79,914	342,852	(263,938.55)	
2022	606,790	1,872,981	613,039	2,486,021	273,455	89,504	362,959	(243,831.35)	
2023	606,790	1,947,900	686,604	2,634,505	284,393	100,244	384,638	(222,152.69)	
2024	606,790	2,025,817	768,997	2,794,813	295,769	112,274	408,043	(198,747.65)	
2025	606,790	2,106,849	861,276	2,968,125	307,600	125,746	433,346	(173,444.06)	
2026	606,790	2,191,123	964,629	3,155,752	319,904	140,836	460,740	(146,050.50)	
2027	606,790	2,278,768	1,080,385	3,359,153	332,700	157,736	490,436	(116,354.04)	
2028	606,790	2,369,919	1,210,031	3,579,950	346,008	176,665	522,673	(84,117.69)	
2029	606,790	2,464,716	1,355,235	3,819,950	359,848	197,864	557,713	(49,077.62)	
2030	606,790	2,563,304	1,517,863	4,081,167	374,242	221,608	595,850	(10,939.97)	
2031	606,790	2,665,836	1,700,806	4,366,643	340,561	217,176	557,736	(49,053.95)	
2032	606,790	2,772,470	1,904,002	4,676,472	354,183	243,237	597,420	(9,370.42)	
2033	606,790	2,850,000	2,132,488	4,982,488	343,283	256,858	600,141	(6,649.67)	
2034	606,790	2,850,000	2,388,367	5,238,367	322,478	270,246	592,723	(14,066.91)	
2035	606,790	2,850,000	2,674,993	5,524,993	312,075	292,912	604,987	(1,803.62)	
2036	606,790	2,850,000	2,850,000	5,700,000	301,673	301,673	603,345	(3,445.36)	
2037	606,790	2,850,000	2,850,000	5,700,000	301,673	301,673	603,345	(3,445.36)	
2038	606,790	2,850,000	2,850,000	5,700,000	301,673	301,673	603,345	(3,445.36)	
2039	606,790	2,850,000	2,850,000	5,700,000	301,673	301,673	603,345	(3,445.36)	
2040	606,790	2,850,000	2,850,000	5,700,000	301,673	301,673	603,345	(3,445.36)	
2041	606,790	2,850,000	2,850,000	5,700,000	301,673	301,673	603,345	(3,445.36)	
2042	606,790	2,850,000	2,850,000	5,700,000	301,673	301,673	603,345	(3,445.36)	
2043	606,790	2,850,000	2,850,000	5,700,000	301,673	301,673	603,345	(3,445.36)	
2044	606,790	2,850,000	2,850,000	5,700,000	301,673	301,673	603,345	(3,445.36)	
2045	606,790	2,850,000	2,850,000	5,700,000	301,673	301,673	603,345	(3,445.36)	
\$23,898,033.68					\$ 10,769,606	\$ 6,243,828	\$ 17,013,434	\$ (6,884,599.34)	

*ASSUMES A 4% GROWTH RATE FOR CITY AND 12% GROWTH RATE FOR COUNTY IN WATER CONSUMPTION